

§ 119.4

private organization or program referred to in paragraphs (a), (b) and (c) of this section exists within its jurisdiction.

§ 119.4 What services or activities must PRIME grant funds be used for?

A recipient of a PRIME grant (“grantee”) must use PRIME grants to—

(a) Provide training and technical assistance to disadvantaged microentrepreneurs (“Technical Assistance Grant”);

(b) Provide training and capacity building services to microenterprise development organizations and programs to assist them to develop microenterprise training and services (“Capacity Building Grant”);

(c) Aid in researching and developing the best practices in the field of microenterprise development and technical assistance programs for disadvantaged microentrepreneurs (“Research and Development Grant”); or

(d) Conduct such other activities as the Administrator or designee determines to be consistent with the purposes of the Act (“Discretionary Grant”).

§ 119.5 How are PRIME grant awards allocated?

(a) At least 50 percent of the number of grant awards made under this part will be awarded to qualified organizations that benefit very low-income persons, including those residing on Indian reservations. In general, SBA will make grant award decisions to serve diverse populations by including as recipients both large and small microenterprise development organizations, and organizations serving urban, rural, and Indian tribal communities.

(b) SBA will allocate the funding available for awards as follows:

(1) A minimum of 75 percent for Technical Assistance Grants;

(2) A minimum of 15 percent for Capacity Building Grants; and

(3) The remaining 10 percent or less may be allocated by SBA, in its sole discretion to be used for:

(i) Research and Development Grants; or

(ii) Discretionary Grants.

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§ 119.6 What are the minimum and maximum amounts for an award?

(a) The minimum grant award for Technical Assistance and Capacity Building Grants will be \$50,000 during the first year of the award, subject to the availability of funds.

(b) There is no minimum grant award for Research and Development or Discretionary Grants.

(c) The maximum amount that an individual grant recipient may receive in any fiscal year from a single award or multiple awards, under any of the purposes of the program, may not exceed \$250,000 or 10 percent of the total grant funds available for award in that fiscal year, whichever is less.

§ 119.7 How long and in what amounts will grant funding be available to a single grantee?

(a) Generally, the funding period for a PRIME grant will be one year. Subject to availability of funds and continuing authorization, funding may be available on an annual basis allowing for the initial grant plus up to four option years, for a project period of up to five years. Decisions regarding option year awards and the funding levels of these awards will depend upon availability of funding and the grantee's performance as measured against project objectives and milestones. A grantee that enters into a cooperative agreement must submit a separate application to have the support continued for each subsequent year. In all cases, continuation awards require a determination by SBA that continued funding is in the best interest of the Federal government. Neither the approval of any application nor the entering into of any cooperative agreement commits or obligates the Federal Government in any way to make any additional, supplemental, continuation or other award with respect to any grantee.

(b) For Technical Assistance and Capacity Building Grants, after a grantee receives an initial grant, funding for any option year(s) must be no more than 67 percent of the initial grant amount.

(c) For Research and Development and Discretionary Grants, after a